THE CONEXUS ARTS CENTRE

ANNUAL REPORT

2006-2007

conexus arts centre

www.conexusartscentre.ca

2007-05809/

Table of Contents

Letter of Transmittal	3
Letter from the Chair	4
Board of Directors	5
Patrons/Management	6
Mission and Goals	7
Executive Director's Report	8
Who We Are	10
Overview	11
Annual Report	12
Performance Results	13
Serving Communities	22
Managing Risk	27
What our Patrons are saying	28
Corporate Balanced Statement	31
Where We are Headed	33
Additional Information	39
Appendix A—Overview of Conexus Arts Centre Operations	40
Appendix B—Partners and Stakeholders	41
Management Report	42
Auditor's Report	43
Financial Statement	45

LETTER OF TRANSMITTAL

To His Honour

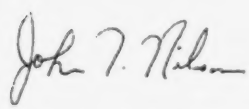
The Honourable Dr. Gordon L. Barnhart
Lieutenant Governor

Province of Saskatchewan

May it Please Your Honour:

In accordance with Section 27(1) of the Saskatchewan Centre of the Arts Act, 2000 (Chapters S-10.1), I hereby submit the Thirty-Seventh Annual Report on the activities of the Centre for the period from April 1, 2006 to March 31, 2007.

Respectfully submitted.



Honourable John Nilson, QC

Minister in Charge

LETTER FROM THE CHAIR

The Conexus Arts Centre is pleased to submit the 2006-07 Annual Report. The Centre has had a very exciting year and has been very successful in contributing to the artistic, entertainment, educational and cultural diversity of communities in Saskatchewan.

I am pleased to report that the wide variety of entertainment and convention/catering events saw approximately a quarter of a million patrons participate in one way or another at the Conexus Arts Centre this year.

The programming was certain to hit all age groups as our patrons enjoyed performances for youth including CBC Kids and Dora the Explorer, the return of Broadway classics such as Aladdin and Jesus Christ Superstar proved enormously popular as did Nana Mouskouri, The Regina Symphony Orchestra, Bachman and Cummings, Brazilian JiuJitsu and the Alberta Ballet. In other performances Lord of the Dance sold out two performances, David Copperfield appeared and disappeared and audiences enjoyed comedy with Club 54, Just for Laughs, Ron James, Trailer Park Boys and A Night of Improv. Returning to the Centre this year audiences were treated to The Real Legends of Country Music, Don Williams, Goo Goo Dolls, the Rankin Family and many more.

In addition to the diverse entertainment schedule, the Centre was host to a wide variety of fund raising banquets, award dinners, conferences, meetings, etc., including Regina Police 1/2 Marathon, Canadian Diabetes Association, Hockey Regina, Peyakowak, India Canada, Chinese Cultural Association, The Canadian Cancer Society Run for the Cure, Bridal Show, Regina Public Library, YWCA Women of Distinction Awards, Festival of Trees, Canadian Dance Teachers Association, graduation banquets and ceremonies, major conferences, and many, many more special events and special memories.

On behalf of the Conexus Arts Centre Board of Directors, I commend the Centre staff who continue to bring their skill, passion and commitment to the Centre.

In accordance with Section 27(1) of the Saskatchewan Centre of the Arts Act, 2000 (Chapter S-10.1), I hereby submit the Thirty-Seventh Annual report on the activities of the Centre for the period April 1, 2006 to March 31, 2007.

Sincerely,

J.P.Ellson, Chair

BOARD OF DIRECTORS

JOHN PAUL ELLSON—CHAIR
BRYAN LEIER—VICE-CHAIR

THE HONOURABLE JOHN NILSON, QC
—MINISTER IN CHARGE

HARVEY ABELLS—REGINA
GLAYNE AXTELL—REGINA
LLOYD BOUTILIER—REGINA
LORI GAY GALLAWAY—ESTEVAN
GRAHAM HALL—MOOSE JAW
DON LIST—REGINA
PHYLLIS MEWS—REGINA
DAN WELSH—REGINA

Committees of the Board of Directors:

FINANCE COMMITTEE
Lloyd Boutilier
J.P. Ellson—Ex-Offico
Bryan Leier
Dan Welsh
Don List
Jim McCrum—Staff Support
Pat Beanland—Staff Support

DONATIONS COMMITTEE
Don List
Glayne Axtell
Pat Beanland—Staff Support
Lynn Severt—Staff Support

PATRONS

Patrons
Council
Members

Conexus Credit Union
Jacqui Shumiatcher and the late Dr. Morris Shumiatcher

Doris and Charles Knight
Crown Life Insurance
Pepsi Bottling Group (Canada) Co.
SaskTel
Taylor Automotive Group
Audio Warehouse
Success Business Solutions

MANAGEMENT

"THIS INDUSTRY IS OUR PASSION!"

Jim McCrum—Executive Director

Pat Beanland—Finance & Administration Manager
Brent Elsner—Sous Chef
Leo Pantel—Executive Chef
Colette Perras—Hospitality Services Manager
Jerry Senko—Operations Manager
Lynn Severt—Client Services Manager

Mission and Goals

MISSION

To enhance the quality of life for the people of Saskatchewan by providing exceptional facilities, programs and services for entertainment, educational and cultural activities in a cost effective manner.

GOALS

To provide quality facilities, programs and services for entertainment, educational and cultural activities.

To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan.

To engage in entrepreneurial activities to promote the use of the Centre.

To develop a positive relationship with government, media, public and all related organizations and individuals.

To promote arts and educational activities for all ages, with special attention to the youth, to ensure continual audience development now and in the future.

To provide opportunity for staff development in building a high level of morale and productivity.

To operate in a fiscally responsible manner.

To solicit funds in order to further the objectives of the Centre.

EXECUTIVE DIRECTOR'S REPORT

It has truly been a privilege for me to serve as Executive Director for another year and I welcome this opportunity to share the many successes we achieved in 2006/07, as well as the great opportunities we have to look forward to in the coming year and beyond.

At The Conexus Arts Centre we're passionate about the arts and we are also deeply committed to helping our clients produce great theatre, convention and catered events. The Centre's staff work hard to enhance each customer's experience. I would like to give special thanks to the Board of Directors and staff for their hard work and dedication to the Conexus Arts Centre. Their commitment is evident in the customer service excellence the Centre provides. I would also like to thank the Government and the people of Saskatchewan for the encouragement given to the management and staff of the Centre throughout the year.

Set in the heart of Wascana Park, the Conexus Arts Centre plays host to performers, audiences, our community and the province. What ignites the imagination most is the artistic brilliance of those who perform here and the shared commitment to the arts that the Centre represents. The Customer experience remains our number one priority. We are proud of the diversity of our customers, which is reflected in our wide variety of programming. We strive to make The Conexus Arts Centre an exciting place to visit and are pleased our customers have responded to the enhancements we have made to our products and services. In 2006-07 we placed our focus on the customer and their feedback . Theatre customer surveys were conducted at events, online, and direct mailed to our clients following events. Over 1,500 surveys were submitted and I am pleased to report that we scored over 85% by our clients and patrons. Our focus, however will be on continual improvement.

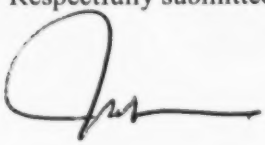
We have enjoyed a very busy year hosting a wide variety of performances on our stage. Once again, a number of sell-out successes resulted from the innovative and diverse programming offered by the Conexus Arts Centre. Over 94,170 patrons attended 97 performances this year. The Regina Symphony Orchestra, Aladdin, The Alberta Ballet, Rory Allen, New Dance Horizons, Goo Goo Dolls, Just for Laughs, Don Williams, David Copperfield, Jesus Christ Superstar, Trailer Park Boys, The Rankin Family and more are an example of the many fine performances presented.

In addition to the variety of entertainment events presented in our theatre, this year the Centre hosted 520 catering and convention events including, dinners, receptions, meetings, weddings, trade shows, conventions, graduations and fund raising events.

Internally, we are working to strengthen our organization. We ran several successful succession planning meetings with staff and I am pleased to report that the results of initiatives taken in response to staff suggestions were outstanding. We continue to give a high priority to making decisions strategically, with long term implications in mind, while at the same time, acknowledging the role of the Centre within the community. We also continue to work diligently to find alternative sources of revenue to help us meet our ongoing challenges, and to provide the framework to continue to grow. One exciting new initiative in 2006-07 was the hiring of a Marketing/Public Relations Coordinator who has worked extensively to "put the Centre" into the limelight.

The next fiscal year promises to offer even greater challenges and opportunities. We look forward to once again meeting our goals and objectives while providing world-class entertainment and convention/catering services to the people of Southern Saskatchewan.

Respectfully submitted,



Jim McCrum,
Executive Director

WHO WE ARE

The Conexus Arts Centre is an Agent of the Crown responsible for providing facilities for entertainment, exhibition and the promotion and presentation of sporting, artistic, educational and cultural activities of a provincial, national or international nature. In addition the Centre is to provide catering and convention services. The Conexus Arts Centre achieves this through fair and cost-effective marketing..... delivered by employees experienced in many aspects of the hospitality industry.

As of March 31, 2007, the Conexus Arts Centre employed approximately 358 staff, with 28 being full-time. Approximately 212 employees are members of the Retail, Wholesale, Department Store Union (RWDSU) and 118 employees are members of the International Association of Theatrical and Stage Employees (IATSE) local 295.

The Conexus Arts Centre operates under The Saskatchewan Centre of the Arts Act, 2000, and works in partnership with a broad range of stakeholders and clients, including: the RWDSU, IATSE, Tourism Regina, Saskatchewan Property Management, Tourism Saskatchewan and the Saskatchewan Liquor and Gaming Authority (Please see Appendix B for an overview of the Centre's stakeholders and partners).

The Conexus Arts Centre is divided into four primary departments:

- Theatre: The Theatre department is responsible for the booking, marketing and delivery of arts and entertainment performances hosted at the Conexus Arts Centre. This department is also responsible for the Box Office services of the Centre, and its outlets.
- Convention/Catering: The Convention, Catering department, Client Services is responsible for booking, marketing and delivery of conventions, meetings, banquets, tradeshows and special events hosted at the Centre. This department is also responsible for the public relations and community information.
- Operations Department: This department is responsible for the maintenance of the building and equipment as well as the day to day operation.
- The Corporate Services and Human Relations Department: This department provides financial, administrative, procurement, information systems and audit support services to the organization. This department also provides organizational development, communications and human resource services to the Centre.

OVERVIEW

The Conexus Arts Centre provides facilities to over 1,500 clients ranging from local organizations and individuals to provincial, national and international clients.

The Arts Centre ensures that customer needs are met by offering wide and versatile convention and catering opportunities as well as providing flexible theatre services. The Catering and Convention department continues to place a greater emphasis on providing custom services and individualized menu options for clients.

The Catering and Convention department serviced 116,651 clients in 2006-07 at 520 events. Eighty-five of these events were new events to the Centre. These events are broken down into the following categories: 1 was a dance with attendance of 426, 204 were meetings, seminars or conferences with attendance of 15,536. The Centre hosted 85 banquets with attendance of 25,474 guests. Breakfasts and luncheons totaled 75 with attendance of 9,602, 61 receptions were held with attendance of 14,461, trade shows numbered at 45 with attendance of 33,384, teas numbered 1 with attendance of 275 guests. Weddings, anniversary parties and funerals numbered 18 with 3,793 guests attending. Conventions numbered 14 with attendance of 11,880 and there were 16 other events that included 1,820 guests.

The Theatre department featured 97 performances in 2006-07 with attendance of 94,170 patrons. These events are broken down into the following categories: We hosted 3 country performances with attendance of 3,433, 6 folk/ethnic/children's shows with attendance of 10,203. The Regina Symphony Orchestra presented 12 performances at the Centre with attendance of 18,424 guests. Jazz/band accounted for 4 performances with attendance of 4,500 guests. There were 15 rehearsals on stage, plays and auditions with attendance of 6,974, Rock shows accounted for 8 performances with attendance of 8,568 guests, 14 were dance/ballet performances with attendance of 4,816, 13 were graduation or convocations with attendance of 16,058. 7performances were musicals with attendance of 8,226. 2 events were benefits with attendance of 1,421, 1 was opera/ choral with attendance of 897, 8 were comedy/recitals with attendance of 7,487, 4 were sporting events with attendance of 3,163.

The Conexus Arts Centre is proud to have hosted such a wide and versatile array of events and performances in 2006-07.

ANNUAL REPORT

The 2000-01 provincial budget address announced that the Government would be implementing a new Accountability Framework over the next few years, "giving Saskatchewan people solid reference points by which to judge the performance of their government". The continuing improvements in The Conexus Arts Centre's Annual Report are tied to the ongoing implementation of this broader initiative.

The Conexus Arts Centre's Annual Report serves three functions:

1. It contains information on the results for the goals, objectives and key actions which were published in our first Performance Plan which was released in the 2005-06 Annual Report.
2. It reports accomplishments for 2006-07; and
3. It outlines The Conexus Arts Centre's strategic direction for 2007-08 and beyond.

The Conexus Arts Centre is committed to reporting progress on its plan, and to enhancing accountability to the public and to its stakeholders. The Conexus Arts Centre's performance plan for 2006-07 and beyond included a series of planned actions for 2006-07 and a set of performance measures to be used to gauge progress. The Conexus Arts Centre has provided information on its results and measures for 2006-07.

The Conexus Arts Centre's 2006-07 Corporate Balanced Statement identifies the key outcomes that the Conexus Arts Centre is working to achieve and how these outcomes will help the Conexus Arts Centre meet its vision. The Balanced Statement is the result of an intensive planning effort and is a multi-year plan. The plan will continue to evolve over time and will continue to be reported in the Conexus Arts Centre annual reports.

PERFORMANCE RESULTS

This section provides detailed information on the key initiatives, major outcomes and specific results for The Conexus Arts Centre during the 2006-07 fiscal year with respect to our goals. Additional information about the Centre of the Arts strategic direction, including a complete review of its performance measures, key actions and objectives, is provided later in this report.

Goal 1: To provide quality facilities, and services for entertainment, educational, social and cultural activities.

Providing quality facilities and services is paramount to the Centre's success and therefore in 2006-07, The Conexus Arts Centre defined a range of key actions and initiatives that support this focus on continually updating and maintaining our facility and improving our customer service.

Maintenance of Facility: The Saskatchewan Centre of the Arts continues to refine the maintenance plan to resolve any outstanding issues. We continue to work with Saskatchewan Property Management to review and coordinate the Centre's preventative maintenance and on-going maintenance program. The freight elevator has been recently repaired as well as the theatre lobby windows have been replaced with triple pane Argon gas and new wider doors for wheelchair accessibility to the balcony. The first phase of the front ramp driveway replacement has been completed. Electrical problems that were resolved during this phase of the project have become an issue again and this will cause some of the work to be redone in the next fiscal year. A highlight this year was the installation of the electronic billboard on Broad Street. This year the Centre also completed general maintenance of the theatre fly system, renovations to the Green Room, was completed. We purchased round tables this fiscal year.

Technology: Initiatives for fiscal year 2006-07 include: The CBO ticketing system has been up-graded. Computer replacements took place early in the year. A computer system analysis has been completed by TMC with recommendations on future replacements. The Centre purchased a new server and combined both older servers to the one new server. We continue to monitor the Centre's telephone systems to ensure maximum efficiencies. The web-site was completely redone and has been very well received. The Centre's Technology Committee continues to meet regularly. In the fourth quarter the technology committee also met with our computer consultants (TMC) and Sasktel to discuss options to complete the building internet access and the best manner to proceed with this project. The Centre continues to develop the technology plan for the conference areas. An ATM machine was purchased and has paid for itself in in-

creased service charge monies.

Customer Service/Knowledge Training: The Conexus Arts Centre continues to provide training programs and seminars including a staff team building day and publishing information on Centre standards and practices in the staff newsletter. We have included editorials from the Management team in the fourth quarter. Client Services Staff have begun the national certification process in Special Events Coordinator and Special Event Manager. We acknowledge our customer service excellence through our employee recognition program, The Spotlight is on you. A review of this program took place in the third quarter with changes implemented in the fourth quarter. Successful succession planning seminars were held in the second, third and fourth quarters. Work has been done to up-date many of the departmental training manuals.

Goal#2 To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan.

The Conexus Arts Centre strives to develop additional ways to contribute to the entertainment, educational and cultural communities in Saskatchewan. The Centre set objectives to continually improve on this critical component of The Conexus Arts Centre's direction.

Programming Plan: In order to support provincial non-profit organizations through sponsorship initiatives the Centre worked in collaboration with promoters, producers and sponsors. Some of the events the Centre co-promoted or sponsored in the fiscal year 2006-07 included: Family Services Regina—Mayor's Roast, Tourism Regina's Amazing Night for Members, Ultimate Martial Arts Championship, Sports and Rec. , Saskatchewan Judo, New Dance Horizons, YWCA Women of Distinction Nominee's Tea and Gala Night, The Casey Foundation, Prolife Awards, Youth Ballet of Saskatchewan, Saskatchewan Arts Board, Sassy Classy Cabaret, Gay and Lesbian Club of Regina, Kids Help Phone, Humane Society, Dr.'s Night out in support of Hospitals of Regina, Regina Women's Network, RPSTA, Lonsdale Boxing, Ranch Ehrlo, Breast Cancer Action Saskatchewan, Sask, Sports Hall of Fame, United Way, Telemiracle Saskatchewan, North Central, Regina Motorcylce Show, The Running Room, Regina Police ½ Marathon, Regina Boxing Club, Women Entrepreneurs of Sask., Alzheimer Society of Saskatchewan, Sask. Prayer, Cougars Women's Basketball, Regina Public Library, Luther College Golf Classic, Regina Symphony Orchestra, Regina Food Bank. Philippine Association., Arts Stabilization, SHEA Awards, Nurses Christian Fellowship, Hockey Regina, Optimist Band Festival, Globe Theatre, Saskatchewan Sport, Prairie Peacemakers, College of Law, Queen City Marathon, Canadian Dance Teachers Association, Elizatbeth's concert of Hope, Scott Collegiate, Miller High School, Kids Sport, Wascana Ca-

noe and Kayak Club, Regina Chamber of Commerce, Peyakowak, Cream of the Crop, Chinese Cultural Society, Daughter's of Penelope, Jingle Bell Run, Bon China Tea, Saskatchewan Arts Council, Regina Lions' Sight, Sportsfest, Junior Achievement of Saskatchewan, Look Good Feel Better, South Sask. Youth Orchestra, English Students Association and Welcome Wagon.

Youth: The Centre's goal of working with schools and associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre was a priority again in 2006-07. This included arranging tours for several high schools. We offered non-profit rates to New Dance Horizons throughout the year as well as assisting them in planning their events. We have purchased an amusement game and have begun booking it for spring through the schools. We presented a very successful theatrical makeup course to high school drama groups throughout the city.

Entertainment/Promotion: The Centre continues to strive to present a wide variety of entertainment programming. The Centre presented Jesus Christ Superstar and Big Comfy Couch through our Impresario Fund this fiscal year.

New Relationships: We are pleased to continue to develop our partnership with Conexus Credit Union, a like-minded community driven company. Through the generous sponsorship contribution from Conexus, the Centre has begun the tender process to order new theatre seats and therefore will be able to revitalize our world class facility. The revitalization will assist the Centre in the development and advancement of arts and culture opportunities for communities throughout Saskatchewan. Together with the ongoing support of the community, our partnership with Conexus represents an important step in keeping the Arts Center an active, viable home for the arts for years to come. New relationships have also been established with SYSCO, Audio Warehouse and Success Business Systems.

Goal 3: To engage in entrepreneurial activities to promote the use of the Centre.

The Centre continues to work with various groups to present as many activities at the Centre as possible. In 2006-07 our objective was to work with at least five new organizations.

New Events: New events booked in 2006-07 included: Peyakowak Banquet, Sasktel Book Awards, Tourism Saskatchewan Gala, Regina Chamber of Commerce Paragon Awards, SGI Seminars and Banquet, STEP, Leboldus Suns November wind-up, Chinese Cultural Society Anniversary Gala, Wascana Racing Canoe Club, Ultimate Martial Arts, Regina and District Medical Association, Conexus Credit Union Christmas Party, Lyric Light Opera Brunch, Carmichel Centre, Bill Horvath Fundraising, Junior Achievement, Association of Regina Realtors, Saskatchewan Safety Council, Rawlco Radio 2nd Annual Honeymoon event, Western Show Pro-

ductions Sport and Rec Show, Nagel's Audio Visual Workshop, Regina Engineer Society, Women Alive, Festiv-Ale, Francofievre, Duncan Law, Welcome Wagon, Bombardier, First Nations/Inuit Health, Canadian Society of Waking up to Start to Finish, Office of Protocol, IABCE, Queen's University, WCP Soccer, Regina Hospitals, KPMG, RCMP Gala, Regina Christian Schools Dinner, South Saskatchewan IPE dinner, Saskatchewan Liquor and Gaming, The Saskatchewan Law Society and Red and White Social Club

Other Opportunities: The Centre continues to aggressively pursue the wedding business as well as individual departments within organizations who are currently clients. We continued to work with various promoters to mesh their show with our facility (Regina Sport and Rec Show). We continued to review our client base and focus on clients who no longer host their events at the Centre, determining the best way to draw these clients back to the Centre. We continued to use marketing opportunities including room rental specials, Christmas features and cold calls.

Goal 4: To develop a positive relationship with government, media, public and all related organizations and individuals.

A key part of the Conexus Arts Centre's role focuses on developing positive relationships with the community. Key activities in 2006-07 included:

Community Participation: The Conexus Arts Centre was very active in various Regina and Saskatchewan organizations and groups in 2006-07. Representation included membership in: Queen City Marathon Committee, Saskatchewan Tourism Education Council, Regina Chamber of Commerce, India Canada Association, Regina Women's Network, Saskatchewan Recording Industry Association, The Better Business Bureau of Saskatchewan, Executive Club, Society of Canadian Authors, Composers and Publishers, RREDA—Film, Television, Interactive, Media Cluster, Canadian Club, Saskatchewan Arts Stabilization Board, Canadian Culinary Federation, University of Regina Alumni, CARAS—Canadian Academy of Recording Arts and Sciences, International Special Events Society, Western Canadian Music Alliance, Hockey Regina, Tourism Saskatchewan, Saskatchewan Chef's Association, Regina YWCA Women of Distinction Awards Gala Committee, Regina Transition House and others.

Community Profile: We continued to work at enhancing The Conexus Arts Centre's profile within the community. We continued to be involved with many community groups and organizations including: Conexus Credit Union, Taste of Spring, North Central Association, Saskatchewan Arts Stabilization The Most Incredible Bridal Show, Wascana Partners Association, Tourism Regina, Saskatchewan Tour-

ism Education Council, Regina Food Bank, Kinsmen Telemiracle, Welcome Wagon, Regina Inner City Education Foundation and other events deemed feasible. The Centre provided sponsorship for the Canadian Cancer Society's Relay for Life event, worked with CIBC Run for the Cure to provide sponsorship, the Centre also provided on-going support to non-profit groups such as Carmichael Outreach and Souls Harbour.

Key Stakeholder Relationships: In order to best provide measurable results in developing positive relationships the key stakeholders have been segregated:

The Government: The Conexus Arts Centre plays a key role serving as the voice of the public to the Government—municipal and provincial. In that role, the needs, concerns and issues, as well as the accomplishments are conveyed to the various departments. We also act on behalf of the government to ensure that we become better advocates of the arts through our relationships with elected officials and government staff.

The Media: The Centre developed a Media Relations Plan in 2006-07 including on going development of relationships with every Regina media outlet in every medium by utilizing the new Marketing Coordinator's existing contacts to strengthen the Centre's associations of such. This has translated into frequent appearances on CTV and both Harvard and Rawlco Radio to promote upcoming shows and events. Further development is required with both Global TV and the Leaderpost, however strong gains have already been made. The Marketing Coordinator has also began working on developing partnerships with national media and marketing personnel.

The Public: In 2006-07 we continued to provide feedback information forms to our clients and began sending out questionnaires via email and/or fax. We also began doing surveys at theatre events asking guests: 1. How would you rate our staff at the Centre—Box Office, Ushers, Bar, Coat Check, Other Staff. 2. How would you rate the following at the Centre. Cleanliness of Public Areas, Comfort of theatre, Temperature, Décor, Access to Parking Areas, How would you rate the following at the Centre: The value of the Centre's importance in our community, The Centre's support of the development of Performing Arts in our community, The Centre's support of non-profit organizations and community activities, The Centre's support of academic and artistic development of youth in our community, The Service at the Centre, The Centre's profile in our community, The marketing of upcoming shows at the Centre, The food quality, The Menu selection. We also asked : What type of performing arts events do you like to attend: Choices included: Classical, Country, Musical Theatre, Rock, Jazz, Children's, Urban, Ballet, Comedy and Other. We were very pleased in the increase

in the positive response for the marketing of upcoming shows at the Centre as well as the Centre's profile in our community as they continue to increase. We also attempted to raise public awareness and credibility. We used various mediums to accomplish this including internet, email, newspaper, direct mail and public relations type events. We continue to review the duty manager reports at weekly management meetings. Client Services continues to follow up with clients in person or by telephone as soon as possible after an event. We undertook consultation with promoters and research of other venues to ensure that we are competitive in our pricing, and our mission to maintain the highest possible level of customer service to our clients.

Mark in the Community: The Conexus Arts Centre's new marketing plan focuses on the branding of the Centre. The logo was revisited and a new logo was approved. The changes were made to ensure consistency between all forms of media. Creation of The Conexus Arts Centre Connection became an important part of our branding that was used across all forms of media including radio, print, newsletters, busboards, etc., The web-sit was completely re-designed. As a priority of the marketing department is deemed to be to find ways to articulate the intention of the Centre to be prominent in and accessible to the community this was addressed throughout the year through radio, TV and personal contacts. The Marketing Committee continues to meet weekly. This committee identifies new opportunities to develop our marketing and increase our visibility in the community. The results of these meetings are reported to the Management team at the weekly management meetings. We also continued to offer various random draws from our web site as well as special deals for members of our on-line community.

Goal 5: To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future.

We continually improve our programming for youth and seniors. We have developed new programs specifically designed to provide opportunities for these audiences.

Subsidy Program: Our Marketing Coordinator has met with various media and local businesses to provide a subsidy program for under-privileged youth. As food and clothing tend to be a higher priority at this time for under-privileged youth, the Centre joined with Conexus Credit Union and their support of North Central Regina Association in supporting these projects.

Youth: The Conexus Arts Centre hosted the sold out CBC Kids show in May, New Dance Horizons Menaka Thakkar , In September we hosted Alexis on fire, Albert Ballet—Romeo and Juliette. In October we hosted Queen—It's a kind of magic. In November we hosted Sportsfest, Goo Goo Dolls, the musical Aladdin, Regina Symphony Orchestra, Regina Catholic Schools. In December we hosted Lord of the Dance, Saskpower Children's Christmas Party and Regina Catholic Schools. We hosted David Copperfield, Saskatchewan Judo, Regina Symphony

Orchestra, The Rankin Family and Jesus Christ Superstar in January as well as theatrical makeup classes for high school drama students. In February we hosted the Regina Motorcycle Show, Regina Symphony Orchestra, Ultimate Fighting and New Dance Horizons. In March we hosted the Sport and Recreation Show, Sportsfest, Regina Symphony Orchestra, Baby Expo, Eva Avila, Lonsdale Boxing and Junior Achievement. We also hosted the "Big Comfy Couch" a children's theatre show in March. We worked with the promoters of the Royal Winnipeg Ballet to offer discounts to groups and dance schools. once again participated in the Week in Wascana program. We continue to encourage promoters to book children's entertainment at the Centre. We also worked with the public and separate school boards, dance schools, Regina Lions Band and music schools to identify new opportunities.

Seniors: We were pleased to work with Saskatchewan Senior to once again present The Senior's Fun Day in September.

Goal 6: To provide opportunity for staff development for building a high level of morale and productivity.

Employees are the key resource of the Conexus Arts Centre. The Conexus Arts Centre's commitment to customer service is founded on the commitment of dedicated employees. This is one of the reasons we invest in our employees. Building and sustaining strong customer relationships requires a workforce that is knowledgeable, motivated and innovative. We believe in promoting leadership at all levels and creating a culture that is customer oriented. As of March 31, 2007, The Conexus Arts Centre employed approximately 358 staff, 28 of these being full-time. As a provider of service, The Conexus Arts Centre's staff are critical to ensuring the organization's success in meeting and exceeding customer's needs and being successful as a business in a competitive marketplace.

The Conexus Arts Centre is committee to providing a positive, healthy and safe workplace for it's employees. The Centre set up a number of succession planning sessions in 2006-07. Key achievements in staff development, morale and productivity include:

Partnership with RWDSU and IATSE: The Conexus Arts Centre management continued to build upon the foundation of the strong working partnership it has developed with The Retail Workers Department Store Union (RWDSU) and the International Association of Theatrical and Stage Employees (IATSE). A 3 year labour contract was ratified with RWDSU and a contract was completed with IATSE.

Leadership Training: Centre staff continued to attend training and leadership development in their various fields of expertise. In 2006-07 many management and staff attended various courses including: Power of Wow Seminar, Get Back in the Box, Innovation from the Inside Out, Give Patrons What they Want, Building Participation through School and Community Partnerships, How to create successful sponsorships, Making the green in Canada, Concert Touring Industry in Canada, International Special Event Seminar, Identifying new revenue streams, Succession Planning for the Arts, Developing Corporate Events, Labour Up-date 2006, Latest Develop-

ments in Labour and Employment, HR 2006—Canada's Workplace Shortage, Becoming an Employer of Choice, Integration of Aboriginal Employees, Immigration Benefits, Working Together, The Western Labour Crisis, Generation Differences, First Impressions are Everything, Brand Spankin' Knew! Sales and Marketing—Style this menu and Party, Food Service—How to Earn the contract every time, Queer Eyes and a Straight Guy—event makeovers, Food Safety—You could have killed them, The best marketing is free—Profound Emotional Connection through Creation of Experiences, Brand your theme and message with the latest and most creative special events, Color Couture—Fashioning the newest colors into the perfect party palate. From failure to Fabulous, But are you making any money? Biting the hand that feeds you, Intercultural Communications in Catering, Unforgettable Events, Traditional Foods, The $60M Wedding, Up close and personal, Cutting edge Openings, Training the Trainer Workshops, Defibulation Training for the Trainer, Canadian Culinary Federation National Conference—Rational ovens launch of new oven technology, Fruit Carvings and Decorating, The evolving role of the Chef—Mocha Mix—chocolate and coffee in the raw, before and after the roast, Wine wise wine picks and pairing with foods, Expo Quebec—Regional Cuisine and demonstrations, Sysco Trade Show, Menu Development, Current Food Market and service labour trends, New produce and packing/shelf life systems, Leadership training, Building Talent Forum—Strategic Responses to Changing workers and Workplaces, Sask. Trends Monitor, The Reality of Povery and Family Privilege in a changing Workforce, Managing a Changing Workforce, Understanding Generational Differences in the Workplace, Designing Employers of Choice, Immigration—Youth—New Resident—First Nations—Retirees, Canadian Music Week—The Prep Squad, The Future of Music, State of the Industry, CMW Global forum, Promotion Marketing Summit, How to Connect in Business in 90 seconds or less, How people use Radio, The Festival Experience Continues, First Aid, WHIMIS and others. Training manuals were updated in several areas this year. Policies and Procedures for the Point of Sale (POS) System were developed. Point of Sale (POS) training was completed.

Succession Planning: Succession planning continued to be a priority in 2006-07. The Centre set up a number of succession planning sessions in 2006-07 which focused on the theme "Looking to the Future". These sessions provided many recommendations—including allowing staff to purchase tickets, front of the line with no service charge, changes in the Centre's internal event house orders, changes in the Centre's annual Christmas and Awards night, spotlight on you program changes, house seat ticket draws and more. Many changes were made to reflect these positive suggestions.

Pay Equity Plan: The Third of a four year phase in of the Pay Equity Plan was implemented in 2006-07. A Job Equity Maintenance Committee was formed. All RWDSU and out-of-scope job descriptions were updated to reflect the pay equity evaluation.

Personnel Policy Manual: The annual review of our personnel policy manual resulted in developments including a review and update of the Centre's Computer Polices and the Code of Conduct. A new policy has also been implemented with regards to attendance in the building when not on shift.

Goal #7: To operate in a fiscally responsible manner.

This goal reflects the Centre's commitment to sound financial management and overall financial accountability. An important part of achieving this goal lies in aligning The Conexus Arts Centre's strategic goals with it's financial planning and budgeting processes.

Review on current status: The Finance Committee continued to meet regularly to review the Centre's financial results. Catering and bar departments continued to do an extensive quarterly inventory to track food and liquor costs as well as to identify cost saving opportunities. Price changes, stock levels and specialty items are also monitored. We also reviewed and revised the event Profit and Loss forms to more accurately account for all expenses and revenues. The Centre is continually searching for opportunities to operate more efficiently and reduce costs. An example is the significant savings recently achieved through the renegotiation of our credit card and debit card rates. Research and comparative evaluations were done on catering prices and new menu packages reflecting additional costs were produced while remaining competitive within our industry.

Goal #8: To solicit funds in order to further the objectives of the Centre.

Due to increasing costs the Centre is required to actively solicit funds in order to meets the goals and objectives of the Centre.

Corporate Sponsorship Campaign: The Centre was pleased to secure sponsorship from Conexus Credit Union as a major sponsor. The Knights have committed to a Patrons membership with the Centre. With the renaming of the building the Centre will be able to address building signage and many other major capital issues. The Centre was successful in leasing one additional arts board to Casino Regina. Conexus took three arts boards with their sponsorship.

SERVING COMMUNITIES

Theatre Statistics

Totals—Events—Attendance

97 94,170

Convention Statistics

Totals-Events-Attendance

520 116,651

SERVING COMMUNITIES

The Theatre once again played host to a wide variety of events in 2006-2007.

APRIL 2006

Regina Symphony Orchestra—Mahler Anyone?

Food for the Soul

MAY 2006

Ken Goff Memorial Boxing

CBC Kids

Regina Symphony Orchestra—The Planets

Nana Mouskouri

Regina Symphony Orchestra—McMasters & Leahy

O"Neill High School Concert

A Night of Improv

Saskatchewan Express Recital

SERVING COMMUNITIES

June 2006

Dance Plus '06

Danskapades '06—Martin School of Dance
2 Performances

Bachman and Cummings

Dora The Explorer
2 Performances

August 2006

Brazilian JiuJitsu

Wa Wa Shriners – Salute to Saskatchewan

September 2006

Senior's Fun Day

Regina Symphony Orchestra—The Season Premiere

Alexis on Fire

Alberta Ballet—Romeo and Juliette

Elizabeth's Concert of Hope

SERVING COMMUNITIES

October 2006

Rory Allen
2 Performances

New Dance Horizons
4 Performances

Regina Symphony Orchestra— A Salute to Ballet Russe

Regina Symphony Orchestra—Nosferatu: A Symphony of Terror

Queen—It's a Kind of Magic

November 2006

The Real Legends of Country Music

Don Williams

Goo Goo Dolls

Regina Symphony Orchestra— A Little Night (or 2) of Music
2 Performances

Just for Laughs

Aladdin—The Musical
3 Performances

December 2006

Club 54 Comedy
2 Performances

Regina Symphony Orchestra—Holiday Magic

Ron James

Lord of the Dance
2 Sold Out Performances

Regina Catholic School Christmas Concert

SERVING COMMUNITIES

JANUARY 2007

David Copperfield
4 Sold Out Performances

Regina Symphony Orchestra—Quartango

Jesus Christ Superstar
2 Performances

Regina Symphony Orchestra—Ports of Call

Trailer Park Boys

The Rankin Family

FEBRUARY 2007

Regina Symphony Orchestra—Czech with Dovorak

New Dance Horizons
2 Performances

Ultimate Martial Arts Cage Challenge

Sassy & Classy Cabaret

MARCH 2007

Regina Symphony Orchestra—All Moods Lead to Music

Optimist Band Festival

Derek Edwards

Regina Symphony Orchestra— RSO Goes to the Oscars VIII

New Dance Horizons
2 Performances

Eva Avila

MANAGING RISK

RISK

Risk Management is key to protecting business interests and future viability. The Conexus Arts Centre is exposed to many different risks in its dual role as a self-financing Theatre and Convention, Catering Business and a representative for the Provincial Government in their commitment to Culture.

The first concern of the Board of Directors and senior management is strategic risk. Failure to properly execute strategy to meet the needs of our clients and the mandate set by the government can dramatically impact the corporation's business. Without an appropriate overall business strategy, the Centre's other interests could be compromised as well.

Therefore, the Centre has identified major risks and potential barriers to success and developed strategies to ensure that these risks and barriers can be addressed by timely identification, assessment and prioritization of risks. We continue to review the management practices at The Conexus Arts Centre and to identify gaps in current risk management practices.

LISTEN TO WHAT OUR PATRONS ARE SAYING

"Everyone was so accommodating in everything we've asked for! Thank you so much." *Philippine Association of Sask., Ben Hernando (December 16, 2006)*

" Staff able to accommodate many last minute changes." *Conexus Credit Union (December 2, 2006)*

"Regina is so lucky to have this A+ Facility in Regina.." *Osteoporosis Society, Bone China Tea (November 5, 2006).*

"Great service—Duty Manager on duty was constantly checking with me to make sure everything was to my satisfaction.!! *Courtney Schissler and Brendan Bzdel Wedding, (May 20, 2006)*

"We sincerely appreciate the facility and the service." Hockey Regina, Meeting (May 30, 2006)

"The servers were excellent. Very helpful and pleasant staff. Very courteous and helpful booking staff who helped us stay within our budget." Canadian Club, Geri Moen (May 31, 2006)

"Staff went out of their way to cheerfully held us troubles we had with a presentation due to our own equipment—not the Centre's—Now that is Customer Service! Great Service. Thanks also to Booking Staff who were also very helpful in arranging for our needs." Public Service Commission, Elanna Stann-Roth, (May 2, 2006)

"Very helpful staff, quick in returning calls, etc., Very professional..." YWCA, Debbie Polischuk (April 9, 2006)

LISTEN TO WHAT OUR PATRONS ARE SAYING

"A pleasure to work with your staff– very good service." Will Putz, Canadian Society of Safety (May 1, 2006)

"All the staff involved were exceptional! We were very pleased with the help we received from the planning stage to the execution of our event." Women's Bible Discussion Group, Gloria Daum (April 29, 2006)

"I have booked many events at many different locations and the Centre is simply one of the best!" Rawlco Radio Ltd. (May 3, 2006)

"Everyone I spoke with were exceptional! The event was totally perfect. I had never done a fashion show and every person from booking the event to the guys helping with the set up and the servers were amazing! I couldn't have done it without any of them.." Look Good Feel Better, Darlene Olsen (April 2, 2006)

"Staff were very helpful at all stages of planning. Set up crew on the Sunday morning were likewise very helpful. We had a great event." *Regina Philharmonic Chorus,* Ron Hopkinson, (April 9, 2006)

"All the staff are very professional and great at what they do. Very friendly, cooperative and helpful. " O'Neill High School, David Beriault & Mindy Hapbus, Grad Co-Chairs (June 3, 2006)

"Overall a very positive and very successful event for us. We received excellent comments from our guests. All questions were answered in a very timely fashion. Without your staff's help we would not have been able to pull the whole thing off.." *Chinese Cultural Society of Saskatchewan, Katherine Chang, (October 28, 2006)*

"Staff from setup are always very helpful as is security." *I am a Collector Club, Noreeta Finn (October 27—29, 2006)*

LISTEN TO WHAT OUR PATRONS ARE SAYING

"Staff are professional, high energy and versatile. Great place to host an event." India Canada, Renu Kapoor (September 30, 2006)

"Staff are all very pleasant and overall if professional. They were there if we needed something. Staff is very obliging and patient with our guests. Thank you." Regina Grey Nuns Nurses Association, C. Lefelure (September 15—16, 2006)

"Booking staff was fantastic. Coat Check ladies and technical staff also went above and beyond." Public Service Commission (September 21, 2006)

"Booking staff were very pleasant to work with and helpful in making the arrangements. Duty Manager was approachable and helpful during the meal. Bar staff also went out of their way to help us during the event. Overall experience at the Centre was a pleasant one." Conquest Regina Boys Club, (September 15, 2006)

"Set up staff were very helpful and very courteous. Nothing is ever to great a task. Appreciate the help staff provided us. Booking Staff are also easy to work with." IE Accessories, Irene Deck (September 23, 2006)

"All staff I met were extremely pleasant." Saskatchewan Health, (September 14, 2006)

"Food and atmosphere were excellent. A great facility. We had four Shrine United from the United States attend and they were all very impressed.." *Wa Wa Shiners, Ted Hearn (August 11, 2006)*

"All comments were excellent. Staff were very helpful and did an excellent job. Very helpful in making all arrangements and looking after any of our concerns." *Midwest Oriental Bands, Assoc. J.D. Logan (August 11, 2006)*

CORPORATE BALANCED STATEMENT AT A GLANCE

Below is a summary of The Conexus Arts Centre 2006-07 Balanced Scorecard, including its vision, mission, guiding principles and key goals. Our goals articulate the key outcomes that the Conexus Arts Centre seeks to achieve in advancing its vision. The section below provides a detailed overview of our objectives, key actions and performance measures.

The Conexus Arts Centre Vision:

The vision describes the ideal state to which the organization strives:

- Customer Service Excellence
- Progressive business operations and fiscal responsibility
- Support of Cultural Organizations

Guiding Principals:

Integrity: We will be honest, fair and trustworthy in our activities and relationships.
Social Responsibility: We will conduct our operations in a manner that balances revenue and social responsibility
Fiscal Responsibility: We will conduct our operations in a fiscally responsible way.
Accountability: We will be accountable to the Saskatchewan people for our actions, decisions and performance.
Open Communication: We will communicate and consult internally and externally in an open, direct and respectful manner.
Mutual Respect: We will be respectful in our interactions, based on fairness, equity and openness, and
Diversity: We will value people and their differences.

Conexus Arts Centre's Goals:

Goal 1: To provide quality facilities, programs and services for entertainment, educational and cultural activities. Meet the expectations of customers by providing a quality facility and providing exceptional customer service by courteous, knowledgeable staff.

Goal 2: To contribute positively to the artistic, entertainment, educational and cultural communities in Saskatchewan. That the Conexus Arts Centre operate as "The Town Hall" being accessible and affordable with a focus on local, non-profit organizations.

Goal 3: To engage in entrepreneurial activities to promote the use of the Centre. Continually improve our business through entrepreneurial activities promoting the use of the Centre.

Goal 4: To develop a positive relationship with government, media, public and all related organizations and individuals. Develop a positive relationship based on integrity and industry knowledge.

Goal 5: To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future. Meet the expectations of our customers by providing a variety of arts and educational activities for all ages.

Goal 6: To provide opportunity for staff development for building a high level of morale and productivity. Provide a positive and healthy environment for our employees which values diversity and encourages continuous learning and mutual respect.

Goal 7: To operate in a fiscally responsible manner. Be fiscally responsible and accountable in support of provincial financial objectives.

WHERE WE ARE HEADED, WHAT WE INTEND TO DO AND HOW WE WILL MEASURE PROGRESS

The following section of Conexus Arts Centre's Balanced Statement is intended to provide more detailed information about The Conexus Arts Centre's plan for the future and what the Conexus Arts Centre will do to achieve its strategic direction. This section describes in greater detail what the Conexus Arts Centre's objectives are, why they are important, and what the organization intends to do to achieve them by specifying a number of key initiatives. This section also provides information that will help us to determine whether or not we have been successful in meeting the objectives defined by our Plan. In order to do this The Conexus Arts Centre has presented a number of performance measures that provide information about specific outcomes identified in the Balanced Statement.

In 2007-08, The Conexus Arts Centre will continue to refine its strategic direction and report on results. The success of The Conexus Arts Centre's plan depends on the support and skill of its employees, in addition to the support of stakeholders, partners and the public.

1. ***To provide quality facilities and services for entertainment, educational, social, conferences and cultural activities.***

What success looks like:

- The building is in good repair, clean, with updated equipment.
- "Meets and exceeds" the needs of clients related to: entertainment, educational, social, conference and cultural activities
- Positive feedback from community
- Groups are choosing to use our facilities and services over the others within the geographic area

Initiatives:

A. In order to be competitive in the current market, research must be conducted on upgrades which will be required to the facility over the next five years. This building does not just house our business, it is our business. Required upgrades will be included in the capital plan.
B. To monitor operations including maintenance, security, engineering, front of house, utilities and cleaning and follow outlined procedures for effective management and supervisory procedures for the operations of each area. Plans and procedures to be reviewed annually.
C. Annually review in conjunction with the Department of Property Management the Centre's preventative maintenance and on-going maintenance program. This plan should clearly outline areas of responsibility and related costs – which includes all non-programming capital projects over $5,000. Projects to be completed this year include: Repair front drive electrical and Phase II of paving stone replacement; replace fire pump; repair fan room drains; repair power transformer; rebuild or replace backup power generator; replace lift station piping.
B. Continue to up-date and modify the maintenance plan to ensure it remains current and relevant.
C. Renegotiate building lease with Department of Property Management (formerly SPMC)
D. Maintain an active OH&S Committee and develop Public Defibulator Training by fall of 2007.
E. Upon completion of Lease negotiations develop long range renovation plan with Dept. of Property Management to ensure the Centre is able to access sufficient funds to address physical and code deficiencies that exist within the Centre.
F. Review and revise long range capital plan to ensure costs are accurately allocated in the budget planning process. Review annually.
G. Install theatre seats per rfp. And replace backstage and theatre flooring.
H. Carpet replaced in the convention level.
I. Maintain an active technology committee including researching options to install internet throughout the facilities and continue with computer replacement program.
J. Continue Stage drape replacement program—cyc, scrim, legs
K. Promote the guest excellence philosophy of the Centre through internal communications and training programs and seminars.
L. Continually evaluate the services provided to ensure the Centre is meeting and exceeding client expectations.
    - Monitor client questionnaire responses to ensure that the Centre is achieving an overall 90% or better, good to excellent rating by clients. Review weekly at Management meetings and report quarterly to the Board.
    - Review duty Manager event reports at weekly management meetings.

- Discuss results of post event client follow up calls at weekly management meetings.

2. To contribute positively to the art, entertainment, educational and cultural communities in Saskatchewan.

What success looks like:

- Community groups find the Centre accessible
- Unsolicited client feedback is positive
- Centre is able to facilitate a wide array of artistic, entertainment, educational and cultural events
- Centre is able to take advantage of opportunities to support and enhance various community groups (external to the Centre) (provide services to community in lieu of dollars)

Initiatives:

A. To support provincial non-profit organizations through sponsorship initiatives and report initiatives at weekly management meetings.
B. Provide and promote educational tours by offering tours through a communication piece with local schools as well as promoting in-house activities for students. We will build relationships with school boards to develop an on-going program designed to increase educational opportunities for students in both urban and rural areas. Contact with school boards will be made a minimum of twice a year.
C. To use our website to provide information about the Centre, including community events and information and to continue to update information in a timely manner. On going.
D. Distribute our events schedule throughout Saskatchewan through Print Media and direct mail on an event basis. We will develop a strategy to branch into rural newspapers.
E. Work with schools and associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre. Report on opportunities and initiatives at weekly management meetings.
F. Client services will provide information on all public events to be included in our web site on an event by event basis.
G. In order to meet our community profile requirements, each Client Services representative will be involved in a minimum of one community organization and report on their involvement in their weekly sales reports to the Client Services Manager.
H. We will participate in a minimum of one additional trade show in 2007/08.
I. We will continue our survey of theatre and convention/catering patrons to determine their expectations from the CAC. These surveys will be distributed at least once per month.
J. We will become more involved in community events in southern Saskatchewan by providing use at no charge to events use of an amusement game we have purchased. We will research the In Regina .com and possible Sask. Experts with CTV based on fiscal opportunities.
K. We will continue to update information in MySask.com to inform the public of events being held at CAC on an event by event basis.
L. We will present an Arts and Entertainment tradeshow in the fall of 2007.

3. To engage in entrepreneurial activities to promote the use of the Centre.

What success looks like:

- Increase use of the Centre's facilities and services
- Centre is able to present numerous events as a result of establishing effective partnerships/arrangements
- Centre is able to provide new events that fulfill identified gaps within the community
  e.g. Bridal Tradeshow, Large Funerals, Arts Tradeshow, Golf Expo

Initiatives:

A. Expand our audiences and activities by encouraging organizations to use the Centre through various Marketing and P.R. activities. We will focus our new ad campaigns on the Centre Connection and develop a unified message to the marketplace with concepts which support our goals and mission. We will use our outdoor electronic billboard to promote shows, events and services. Continued efforts into Conexus Arts Centre Connection including animated graphic development for TV, Electronic billboard, artwork for print and billboard. Based on fiscal restraints we will launch in every advertising medium in April 2007.
B. We will research the possibility of placing long-term advertising in various locations throughout the community.
C. We will advertise our new eco-friendly cleaning products and practices at the Centre.

D. Through use of the new sign board we will advertise events held at the Centre to increase attendance.
E. Through new signage on the highways leading into the city as well as within city limits visitors will be better informed.
F. To actively encourage our promoters to continue making the CAC their preferred choice for facilities in Regina. We will pursue business from new promoters/agents and identify opportunities for co-promotion.
G. We will develop an event planning guide for our clients to make their experience at the Centre first-rate.
H. Provide the results of sales plan to facilitate opportunity for business to be reviewed bi-weekly at Management Meetings and reported quarterly to Board.
I. We will share our "reader board" (list of events) with other facilities weekly.
J. Report quarterly to the Board the results of the programming plan which contracts and presents events in collaboration with promoters, producers and sponsors.
K. Develop a new marketing plan including a marketing campaign specific for community relations. Report quarterly to the Board.
L. Continue to make significant improvements to internet marketing strategies. New site operational.
M. Develop a system for monitoring and responding to developments in entertainment, arts and cultural sectors in cooperation with our new Marketing Coordinator.
N. Develop the Annual Report to focus on the critical aspects of performance and to ensure that the information is presented in a manner that is understandable to all interested entities.
O. Encourage Management and Staff to be involved in the community, through involvement in community organizations. The CAC management will be required to be involved in at least one outside community organization and report involvement to the management team.
P. Work with various organizations to develop tradeshows.—on-going.
Q. We will target a minimum of 5 major events held elsewhere to entice them to use our facility for their event.
R. We will launch a "guaranteed rate inflation protection" for large events held at the Centre to encourage organizations to confirm events in the next year.
S. We will direct market to all members of the Regina Chamber of Commerce, Tourism Regina and our current clients a minimum of once per quarter in 2007/08. Marketing Coordinator will continue to work with Saskatchewan Tourism to explore further possibilities.
T. We will develop a minimum of two new promotional opportunities targeted to increasing revenue during our slow times.
U. We will keep our book of Saskatchewan (Regina area) events which are held at other facilities current and use this to target potential clients with specific proposals and cold calls.
V. We will work on developing a minimum of one new CAC sponsored event. A fitness show is one option which will be researched.
W. We will work with other Regina facilities to create a Festival.
X. Continue developing strategies with communication department of Conexus Credit Union.

4. To develop a positive relationship with government, media and the public.

What success looks like:

- Government sees Centre as a vital asset which translates to increase support and funding
- Increased awareness and support of the activities of the Centre in the media
- Venue of choice for quality arts and entertainment events
- Community recognizes the Centre as a town hall…a gathering place accessible for all.

Initiatives:

A. Interact with potential user groups as opportunities present.
B. Review and improve direct communications with the community and government through on-line newsletters and direct correspondence.
C. We will promote service vision to staff and clients "By doing ordinary things in an extraordinary manner, we will earn the privilege of serving our customers again." Performance Measures: By survey, percent of event clients rating the Centre's services overall as "satisfied" or "very satisfied." Outcome measured on a quarterly basis. By survey, percent of event clients rating specific aspects of their experience, i.e. food service, facility, etc., as "very good", or "excellent".
D. Determine our patrons perception of the Centre through a theatre survey.
E. We will continue to update service-training strategies that support the service vision for staff and customers to ensure customer service excellence.
F. Work in partnership with Conexus Credit Union to implement reciprocal marketing plans.
G. Develop the marketing department with a focus on Public Relations and community perception.
H. Articulate the intention of the Conexus Arts Centre to be prominent in and accessible to the community. Using Marketing coordinator as spokesperson, the voice, the face, "the personality" of the facility.
I. Assess the needs of the community and respond by facilitating programming.
J. Annual review and up-date the publicity and promotions plan designed to enhance the Centre's profile in the community

and ensuring that a consistently high awareness level is maintained with the public. Report quarterly to the Board.

K. Develop contacts with potential media partners in other markets to assist in expanding our market reach. We will work with local and Moose Jaw, Weyburn, Estevan, Yorkton, Kindersley, Shaunavan and Swift Current media as well.

L. Develop a closer liaison with the user groups through creating and facilitating opportunities for usage.

M. Management will attend events at other Regina facilities to compare location, décor, food quality and service and report on attendance at the weekly management meetings.

N. Ensure that the Centre takes advantage of every opportunity to gain profile and recognition for assisting organizations within the community.

O. Identify opportunities to communicate to government and the public, the significance of our role in the community.

5. To promote arts and educational activities for all ages, with special attention to the youth to ensure continual audience development now and in the future.

What success looks like:

- Youth are involved in Centre activities.
- Youth are accessing the Centre and coming to events.

Initiatives:

A. Work with promoters and local business to develop a sponsorship program which will subsidize under-privileged youth to attend functions at the Centre.

B. We will approach various promoters including the Regina Symphony Orchestra requesting permission for students to attend dress rehearsals.

C. Ensure programming plan includes family and youth events, while being fiscally responsible and minimizing our risk.

D. Work with schools and associated educational organizations to create opportunities for youth to perform or attend arts and educational events at the Centre. We will present a theatrical makeup program for youth allowing tours of the Centre in conjunction with the program. We will research the opportunity for schools to present their drama performances at the Centre.

E. We will work with promoters to allow students to enter on our web site (Youth Corner) to win two tickets to performances.

F. We will work with the Inner City Youth Foundation in conjunction with Conexus Credit Union to contribute to our community.

G. To continue to offer facility tours and dress rehearsal access wherever possible to school groups and organizations.

6. To provide opportunity for staff development by building a high level of morale and productivity.

What success looks like:

- Staff are choosing to stay with our organization-(staff retention)
- The Centre is able to attract new staff to the organization.

Initiatives:

A. Provide for a continuous flow of ideas and communications among Board, Management and Staff.

B. Schedule and hold regular management meetings.

C. Monitor departmental structures to ensure maximum efficiencies.

D. Review organizational structure.

E. Update task analysis and job descriptions - annually.

F. Maintain an updated personnel policy and an employee handbook. Ensure all policies are current and continue to be effective. Annually ensure that key policies are reviewed by all staff – including the Code of Conduct, Conflict of Interest and Computer Policies.

G. Enhance the efficiency of internal business operations using state of the art technology by upgrading software and equipment as required.

H. Through the Pay Equity Maintenance Committee review and evaluate all Centre positions that have had major changes to their responsibilities and any new positions.

I. Review and implement incentives and reward systems as necessary.

J. Promote the Spotlight is on You Program.

K. Promote a professional/staff development program. Maintain relationship with staff that allows and promotes discussion regarding the development of staff as well as the services they provide.

L. Provide staff with necessary information, resources, and ongoing training to facilitate the effective and efficient achievement of quality service performance goals.
M. Develop a 5 C's program to drive our client interactions: A genuine Concern for listening and understanding our clients, Communicating effectively, being Competent in all that we do, showing our Commitment to clients and driving towards a sense of Community in all our decisions and actions.
N. Encourage a social committee for staff. CAC encourages staff activities by subsidizing a portion of the costs of employee events when attendance is more than 25% of the social club membership.
O. Staff Newsletter – In response to staff requests the newsletter will be published every month.
P. CAC to attend Career Fairs to encourage youth to consider the Centre as a place of employment. Goal to attend minimum of 2 career fairs in 2007/08.
Q. Monitor Benefits Package, research enhanced programs.
R. Complete negotiations with both RWDSU & IATSE.
S. Maintain active succession planning committee, working with staff representation to determine the best actions to take to retain staff. At one of the succession planning sessions share the Centre's Goals and objectives for the current fiscal year. Goal to host a minimum of four meetings throughout the year.
T. On-going Point of Sale Training for all bar and concession staff.
U. Continue to refine policies for Point of Sale System and ensure the Centre is achieving maximum overall efficiencies with the sales and reporting of the system.
V. Maintain a relationship with temporary employment agencies as well as IPSCO Place to augment staffing needs as required.
W. To enhance the safety of our clients, visitors and staff we will continue the First Aid Certification program as well as Public Access Defibrillation Training to ensure all security staff and Duty Manager's have current certification.

7. To operate in a fiscally responsible manner.

What success looks like:

- We have adequate funds to offset current inflationary pressures
- Adequate funds are secured to advance the strategic goals of the Centre and to promote new initiatives.

Initiatives:

A. Ensure stringent fiscal controls through competent administration and finance committee review procedures.
B. Coordinate minimum of six board meetings per year including an annual board retreat.
C. Continue to refine board reporting to relate directly to Policy governance.
D. Maintain spot inventory program – minimum of three spot checks per year.
E. Centre management to evaluate and approve each and every expenditure to ensure the best value is being received for money spent. Ensure proper tendering practices are followed where applicable. On-going.
F. Budget for long term equipment needs of the Centre in order to provide quality services to clients. Review and prepare five year capital plan. Prepare annually and review bi-annually.
G. Monitor operations in the food and beverage departments with the objective of decreasing our cost of sales and improving our deployment of manpower without jeopardizing quality. Closely monitor product costs and percentage margins to ensure costs are maintained. Review quarterly.
H. Maintain staff scheduling plan in order to reduce overtime cost. On-going.
I. Client Services (convention) will review the pricing policies of other facilities and present them bi-annually to the management team
J. To continue to find a balance between fulfilling our programming plan and maintaining fiscal responsibility, while attempting to compete with other facilities (Casino Regina, Exhibition Park) for the relatively small number of shows that we can access in our market.
K. Prepare annual budget. Review quarterly.
L. Review investment options. On-going.
M. Continue to work on consolidation of the GL Fixed Asset Lists with physical asset inventory records.
N. Research options regarding paying IATSE union direct versus paying IATSE employees direct – pros/cons.
O. Renew Casino Regina Contract for ticketing services. Fall 2007.
P. New RSO contract for ticketing services and provision of online sales.
Q. Review Payroll process and reporting options in an effort to reduce manual tracking requirements.
R. Ensure financial statements are available in a timely manner for Board review. Quarterly.
S. Produce annual report per Provincial Audit recommendations as per tabling deadline requirements.
T. Provide financial information to board as requested.
U. Complete negotiations with RWDSU and IATSE and sign CBA's.

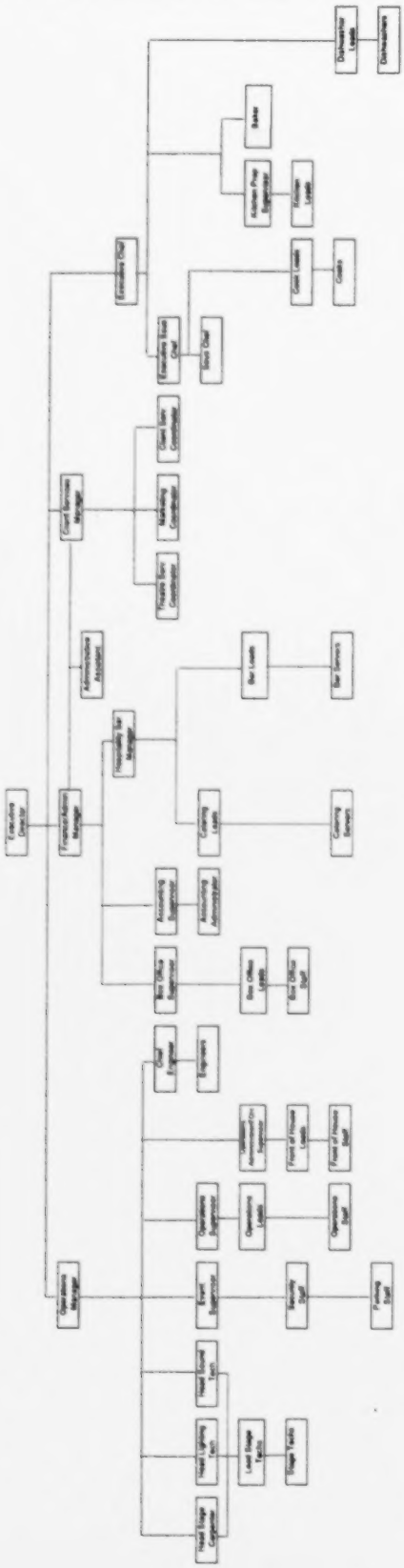
V. We will work on development of a new Centre Patrons package to trade our services, tickets, electronic billboard advertising for various goods required to update our facility, I.e. Audio Warehouse—trade for services in lobby and green room. On-going.
W. We will investigate contra trade deals with media to lessen the hard costs involved with effective branding and imagery campaigns.
X. Develop and implement a corporate sponsorship program to solicit funds for specific events.
Y. Establish an agreement of responsibility with Dept. of Property Management for the CAC's structure to ensure that adequate funds are available to maintain and improve the facility.
Z. We will endeavour to find sponsors to redecorate our dressing rooms.
AA. Continue to solicit patron's and name sponsorship for the theatre and main convention hall.

WHERE TO OBTAIN ADDITIONAL INFORMATION

If you have any questions or comments about The Conexus Arts Centre Balanced Statement, or if you have specific questions about the programs and services provided by The Conexus Arts Centre please contact:

The Conexus Arts Centre
200A Lakeshore Drive
Regina, Saskatchewan
S4S 7L3
www.conexusartscentre.ca
Email:
cac.admin@conexusartscentre.ca or
client.services@conexusartscentre.ca
Phone: (306) 565-4500
Fax: (306) 565-3274

APPENDIX A
Conexus Arts Centre Overview of Centre Operations



APPENDIX B
Summary of The Conexus Arts Centre's Partners and Stakeholders

Non-Profit Clubs and Organizations:	This group consists of ethnic associations, service clubs, sporting clubs, dance schools and others.
International Association of Theatrical And Stage Employees (IATSE):	All theatrical aspects of the Centre are done through members of this union.
Retail Workers Department Store Union (RWDSU):	The majority of our service employees at the Conexus Arts Centre are members of this union.
Saskatchewan Property Management:	SPM is the owner and a key stakeholder of The Conexus Arts Centre.
Conexus Credit Union:	As our major sponsor Conexus Credit Union and The Conexus Arts Centre are dedicated to working together to facilitate programming to promote arts and culture in Regina.
Canadian Restaurant and Foodservices Association (CRFA) (Saskatchewan Division)	The CRFA has approximately 600 members in Saskatchewan.
Tourism Saskatchewan	Tourism Saskatchewan promotes tourism throughout Saskatchewan
Saskatchewan Tourism Education Council	Saskatchewan Tourism Education Council (STEC) provides training and certification for the tourism and hospitality industry.
Tourism Regina	Tourism Regina promotes tourism and conferences in Regina
Canadian Federation of Chefs and Cooks	National organization governing Chefs and Cooks
Society of Composers, Authors and Music Publishers of Canada	Society of Composers, Authors and Music Publishers of Canada (SOCAN) ensures copyright laws are adhered to.

The Conexus Arts Centre
Management Report—March 2007

The Conexus Arts Centre—Management Report—March 2007.

The management of the Conexus Arts Centre is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

The accounting systems used by the Centre include an appropriate system of internal controls to provide reasonable assurance that:

- transactions are authorized.
- The Centre's assets are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other information.
- The accounts are properly kept and financial reports are properly monitored to ensure reliable information is provided for preparation of financial statements and other financial information;
- The Centre has complied with authorities.
- And that the Centre operate in a fiscally responsible manner.

Management is responsible for providing reasonable assurance to the Board that the Board's financial information satisfies standards of validity and reliability. The Board reviews financial information prepared by management and discusses relevant matters with management. The Board of Director exercises this responsibility through the Audit Committee, which is composed of Directors who are not employees of the corporation. The Audit Committee meets with management on a regular basis.

The Provincial Auditor of Saskatchewan examines the Centre's system of internal control, compliance with authorities, and financial statements. A copy of the Provincial Auditor's opinions on internal control, compliance with authorities and financial statements are enclosed.

The financial statements have been examined and approved by the Board.

Jim McCrum
Executive Director
June 2007

Pat Beanland
Manager, Finance and Administration

AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the Saskatchewan Centre of the Arts' (Centre) control as of March 31, 2007 to express an opinion as to the effectiveness of its control related to the following objectives.

- To safeguard public resources. That is, to ensure its assets are not lost or used inappropriately; to ensure it does not inappropriately incur obligations; to establish a financial plan for the purposes of achieving its financial goals; and to monitor and react to its progress towards the objectives established in its financial plan.
- To prepare reliable financial statements.
- To conduct its activities following laws, regulations and policies related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

I used the control framework developed by The Canadian Institute of Chartered Accountants (CICA) to make my judgements about the effectiveness of the Centre's control. I did not audit certain aspects of control concerning the effectiveness, economy, and efficiency of certain management decision-making processes.

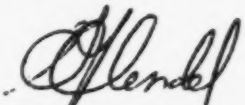
The CICA defines control as comprising those elements of an organization that, taken together, support people in the achievement of the organization's objectives. Control is effective to the extent that it provides reasonable assurance that the organization will achieve its objectives.

The Centre's management is responsible for effective control related to the objectives described above. My responsibility is to express an opinion on the effectiveness of control based on my audit.

I conducted my audit in accordance with standards for assurance engagements established by The Canadian Institute of Chartered Accountants. Those standards require that I plan and perform an audit to obtain reasonable assurance as to effectiveness of the Centre's control related to the objectives stated above. An audit includes obtaining an understanding of the significant risks related to these objectives, the key control elements and control activities to manage these risks and examining, on a test basis, evidence relating to control.

Control can provide only reasonable and not absolute assurance of achieving objectives reliably for the following reasons. There are inherent limitations in control including judgement in decision-making, human error, collusion to circumvent control activities and management overriding control. Cost/benefit decisions are made when designing control in organizations. Because control can be expected to provide only reasonable assurance and not absolute assurance, the objectives referred to above may not be achieved reliably. Also, projections of any evaluation of control to future periods are subject to the risk that control may become ineffective because of changes in internal and external conditions, or that the degree of compliance with control activities may deteriorate.

In my opinion, based on the limitations noted above, the Centre's control was effective, in all material respects, to meet the objectives stated above as of March 31, 2007 based on the CICA criteria of control framework.



Regina, Saskatchewan
June 15, 2007

Fred Wendel, CMA, CA
Provincial Auditor

AUDITOR'S REPORT

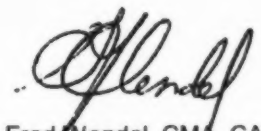
To: The Members of the Legislative Assembly of Saskatchewan

I have made an examination to determine whether the Saskatchewan Centre of the Arts complied with the provisions of the following legislative and related authorities pertaining to its financial reporting, safeguarding public resources, spending, revenue raising, borrowing and investing activities during the year ended March 31, 2007:

The Saskatchewan Centre of the Arts, 2000
Orders in Council issued pursuant to the above Act
The Financial Administration Act, 1993, Section 46(1)(a)
The Tabling of Documents Act, 1991

My examination was made in accordance with Canadian generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the Centre has complied, in all significant respects, with the provisions of the aforementioned legislative and related authorities during the year ended March 31, 2007.



Regina, Saskatchewan
June 15, 2007

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN CENTRE OF THE ARTS

FINANCIAL STATEMENTS

For the Year Ended March 31, 2007

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

SASKATCHEWAN

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Saskatchewan Centre of the Arts as at March 31, 2007 and the statements of operations and changes in fund balances, and cash flows for the year then ended. The Centre's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Centre as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 15, 2007

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF FINANCIAL POSITION
As at March 31

	2007				2006
	Operating Fund	Impresario Fund	Campaign Fund	Total	Total
ASSETS					
Current:					
Cash & cash equivalents	$ -	$ 506,565	$ 1,525,599	$ 2,032,164	$ 2,446,155
Accounts receivable (Note 3)	411,056	-	-	411,056	368,497
Inventory	71,579	-	-	71,579	62,516
	482,635	506,565	1,525,599	2,514,799	2,877,168
Property, plant and equipment (Note 4)	149,253	-	203,004	352,257	140,387
Total Assets	$ 631,888	$ 506,565	$ 1,728,603	$ 2,867,056	$ 3,017,555
LIABILITIES AND NET ASSETS					
Current:					
Due to (from) other funds (Note 8)	$ 928,039	$ -	$ (928,039)	$ -	$ -
Accounts payable and accrued charges (Note 3)	516,699	-	-	516,699	665,715
Advance sales and deposits	710,937	-	-	710,937	482,845
	2,155,675	-	(928,039)	1,227,636	1,148,560
Fund balances:					
Invested in property, plant and equipment	149,253	-	203,004	352,257	140,387
Externally restricted (Note 9)	-	-	2,393,639	2,393,639	2,614,749
Internally restricted (Note 10)	-	506,565	59,999	566,564	473,284
Unrestricted	(1,673,040)	-	-	(1,673,040)	(1,359,425)
Total Fund balances (Statement 2)	(1,523,787)	506,565	2,656,642	1,639,420	1,868,995
Total Liabilities and Fund Balances	$ 631,888	$ 506,565	$ 1,728,603	$ 2,867,056	$ 3,017,555

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
For the Year Ended March 31

	General Funds							Restricted (Note 9)	
	Operating Fund			Impresario Fund		Total		Campaign Fund	
	2007		2006	2007	2006	2007	2006	2007	2006
	Budget (Note 6)	Actual (Schedule 1)	Actual (Schedule 1)						
Revenues:	$ 3,329,600	$ 3,418,795	$ 3,555,211	$ 93,280	$ 107,922	$ 3,512,075	$ 3,663,133	$ -	$ -
Cost of sales	2,219,851	2,019,740	2,157,476	-	21,860	2,019,740	2,179,336	-	-
Gross profit	1,109,749	1,399,055	1,397,735	93,280	86,062	1,492,335	1,483,797	-	-
Donations	-	-	-	-	-	-	-	47,812	2,052,166
Total revenues	1,109,749	1,399,055	1,397,735	93,280	86,062	1,492,335	1,483,797	47,812	2,052,166
Expenses:									
Salaries and benefits	1,197,194	1,467,098	1,295,348	-	-	1,467,098	1,295,348	-	-
Utilities	379,000	376,136	378,958	-	-	376,136	378,958	-	-
General and administration	202,300	181,171	217,734	-	-	181,171	217,734	-	-
Amortization	120,000	98,888	73,860	-	-	98,888	73,860	71,429	16,962
Total expenses	1,898,494	2,123,293	1,965,900	-	-	2,123,293	1,965,900	71,429	16,962
(Deficiency) excess of revenues over expenses before grant	(788,745)	(724,238)	(568,165)	93,280	86,062	(630,958)	(482,103)	(23,617)	2,035,204
Grant from the General Revenue Fund	425,000	425,000	425,000	-	-	425,000	425,000	-	-
(Deficiency) excess of revenue over expenses	$ (363,745)	(299,238)	(143,165)	93,280	86,062	(205,958)	(57,103)	(23,617)	2,035,204
Fund Balances, beginning of year		(1,224,549)	(1,081,384)	413,285	327,223	(811,264)	(754,161)	2,680,259	645,055
Fund balances, end of year - to Statement 1		$ (1,523,787)	$ (1,224,549)	$ 506,565	$ 413,285	$ (1,017,222)	$ (811,264)	$ 2,656,642	$ 2,680,259

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
STATEMENT OF CASH FLOWS
For the year ended March 31

	2007	2006
Cash flows from (used in) operating activities:		
Cash receipts from customers	$ 3,695,932	$ 3,131,185
Cash paid to suppliers and employees	(4,200,547)	(3,720,835)
Grant received	425,000	425,000
Cash flows (used in) operating activities	(79,615)	(164,650)
Cash flows (used in) investing activities		
Purchase of property, plant and equipment	(382,188)	(135,547)
Cash flows from financing activities:		
Donations	47,812	2,052,166
Net increase (decrease) in cash & cash equivalents	(413,991)	1,751,969
Cash & cash equivalents, beginning of year	2,446,155	694,186
Cash & cash equivalents, end of year	$ 2,032,164	$ 2,446,155

(see accompanying notes to the financial statements)

SASKATCHEWAN CENTRE OF THE ARTS (CONEXUS ARTS CENTRE)
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2007

1. Status of Centre

The Board of the Saskatchewan Centre of the Arts is continued under *The Saskatchewan Centre of the Arts Act, 2000* (Act), to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina. The Act also continued the Saskatchewan Centre of the Arts Fund through which all financial transactions are conducted which relate to accomplishing the purposes of the Act.

Effective January 1, 2006, Conexus Credit Union made a donation to the Saskatchewan Centre of the Arts in return for the naming rights of the building. The Saskatchewan Centre of the Arts building is now commonly called the Conexus Arts Centre.

The ongoing operations of the Saskatchewan Centre of the Arts (Centre) are dependent on funding from the General Revenue Fund.

2. Significant Accounting Policies

These financial statements have been prepared using Canadian generally accepted accounting principles for not-for-profit organizations. The Centre follows the restricted fund method of accounting for contributions. The Saskatchewan Centre of the Arts Fund is comprised of three funds: Operating Fund, Impresario Fund, and Campaign Fund. The Operating Fund and Impresario Fund, known as General Funds, do not have external restrictions while the Campaign Fund is subject to external restrictions.

The Operating Fund accounts for the Centre's primary operating activities. This Fund reports unrestricted resources and holds property, plant and equipment (see Note 4).

The Impresario Fund has no external restrictions and is used for supporting and promoting the arts. The Board requires management to seek specific approval of the Board to spend the assets of the Impresario Fund.

The Campaign Fund reports assets (see Note 4), liabilities, revenues and expenses related to the Centre's campaign to raise money to address replacement of its programming equipment and the rejuvenation of the overall appearance of the Centre. The Campaign Fund reports resources contributed and the use of those resources.

The following accounting policies are considered to be significant:

a) Revenue Recognition

For the General Funds, revenue is recognized at the date of the performance and is recorded net of payments to promoters.

Donations externally restricted to the Campaign Fund are recorded as revenue when collection is certain.

b) Grant from the General Revenue Fund

The grant provided by the General Revenue Fund through the Department of Culture, Youth and Recreation is recorded in the year received or receivable.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost. Amortization is provided for using the straight-line method over the expected useful life (ranges from 3 to 5 years) of the property, plant and equipment. A full year's amortization taken in the year of acquisition. The Centre capitalizes property, plant and equipment costing more than $5,000.

Amortization is recorded in the fund where the related property, plant and equipment reside.

d) Inventory

Inventories of food and liquor are valued at the lower of cost and net realizable value.

e) Cash & cash equivalents

Cash & cash equivalents consist of cash and short-term deposits of $1.75 million, with effective interest rate of 4.31%, with a financial institution. The deposit matures on June 1, 2007. The short-term deposits are recorded at cost.

f) Use of estimates

These statements are prepared in conformity with generally accepted accounting principles for not-for-profit organizations. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Differences are reflected in current operations when identified.

3. Financial Instruments

The Centre's financial instruments include cash equivalents, accounts receivable, and accounts payable and accrued charges. The fair value of these instruments approximate their carrying value due to their immediate or short-term nature.

The Centre is exposed to credit risk from potential non-payment of accounts receivable. However, a significant amount of the receivables were received shortly after year-end.

4. Property, Plant and Equipment

a) Operating Fund

	2007			2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Theatre equipment	$ 455,177	$ 436,321	$ 18,856	$ 11,840
Convention & catering equipment	223,536	187,986	35,550	41,808
Office equipment	119,034	99,771	19,263	11,613
Building equipment	850,819	784,778	66,041	51,488
Bar equipment	110,685	101,142	9,543	18,127
	$ 1,759,251	$ 1,609,998	$ 149,253	$ 134,876

b) Campaign Fund

	2007			2006
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Theatre equipment	$ 183,979	$ 177,619	$ 6,360	$ 5,511
Convention & catering equipment	7,834	7,834	---	---
Building equipment	263,605	66,961	196,644	---
	$ 455,418	$ 252,414	$ 203,004	$ 5,511

5. Building and Site

The building and site have been leased by Department of Property Management (SPM) to the Centre for an annual rental of one dollar. The fair value of the building and site is not reasonably determinable. The terms of the lease requires the Centre to keep the building, and all other property contained therein, in good repair and condition with the provision that any major maintenance, renovations and construction project costing in excess of $5,000 shall be the responsibility of SPM. In addition, SPM is responsible for charges by the Wascana Centre for services to the land and building as stipulated under *The Wascana*

Centre Act. The lease agreement expired July 31, 2003. The Centre continues to renegotiate a new lease arrangement. Until a new lease arrangement exists, the terms and conditions of the expired lease continue.

6. Budget

These amounts represent the budget approved by the Centre's Board of Directors.

7. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies, boards and commissions related to the Centre by virtue of common control or significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Also, the Centre is related to non-Crown enterprises that the Government jointly owns or significantly influences.

Routine operating transactions with related parties are recorded at the agreed upon rates and are settled on normal trade terms. The following table summarizes the significant routine related party transactions for the year.

	2007	2006
Accounts receivable	$ 87,782	$ 28,424
Accounts payable & accrued charges	40,232	79,709
Revenues:	763,813	786,635
Expenses:		
Utilities	399,493	381,084
Supplies, services and maintenance	10,546	8,897
Salaries and benefits	210,029	176,624

Other transactions and amounts due to and from related parties are described separately in the financial statements and the notes thereto.

The Centre collected and remitted to the Department of Finance Liquor Consumption Tax of $40,540 (2006 - $41,739). In addition, the Centre pays Provincial Sales Tax to the Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

8. Due to (from) Other Funds

Although the Centre maintains record of receipts and payments for each Fund, it does not maintain separate bank accounts for each Fund. The Centre used resources of the Campaign Fund and the Impresario Fund to finance activities in the Operating Fund. At March 31,

2007 the Operating Fund owed a total of $928,039 (2006-$641,878) to the campaign fund. The Operating Fund does not pay interest on these amounts and no formal arrangements, including repayment terms, are in place for these loans.

9. External Restrictions

In 1996, the Centre launched the Campaign Fund to raise money to address replacement of its capital assets including programming equipment and rejuvenation of the overall appearance of the Centre. The Centre has raised an accumulative total of $2,949,238 (2006 - $2,901,426) from external sources for the Campaign Fund. The Centre has used an accumulative total of $303,004. Included in this amount is $203,004 (2006 - $186,497) to purchase capital assets and $100,000 (2006 - $100,000) to settle a dispute with SPM for repayment of repairs and maintenance to the building. The balance, $2,393,639 (2006 - $2,614,749), remains externally restricted to acquire capital assets and to rejuvenate the overall appearance of the Centre.

Under section 24(7) of *The Saskatchewan Centre of the Arts Act, 2000*, the Board is not bound by the directions of any person making a contribution to a restricted fund but the Board shall consider the directions of the person who makes such a contribution. The Board has agreed to honour the restrictions placed by donors.

10. Internally Restricted Funds

In addition to restricting $59,999 in the Campaign Fund to acquire certain capital assets in the past, the Board has restricted the use of $506,565 (2006 - $413,285) of the net assets available in the Impresario Fund. Accordingly, these net assets are not available for Operating Fund purposes without the approval of the Board.

Schedule 1

SASKATCHEWAN CENTRE OF THE ARTS FUND (CONEXUS ARTS CENTRE)
SCHEDULE OF REVENUE AND COST OF SALES FOR THE OPERATING FUND
FOR THE YEAR ENDED MARCH 31

	2007		2006
	Budget (Note 6)	Actual	Actual
Revenue:			
Catering	$ 1,402,500	$ 1,422,135	$ 1,517,769
Refreshment bar	423,000	454,092	467,115
Rentals	568,000	521,960	621,122
Commissions	130,000	116,379	121,759
Coat check	37,000	27,831	25,958
Car park	14,600	13,487	14,577
Investment income	30,000	76,805	11,977
Sundry	15,000	19,959	19,674
Office rental	53,500	53,426	53,426
Service charges	656,000	712,721	701,834
Total revenues	**3,329,600**	**3,418,795**	**3,555,211**
Cost of sales:			
Food & beverage	597,100	583,034	610,183
Salaries & benefits	1,221,626	1,037,451	1,058,254
Supplies, services, and maintenance	290,625	272,016	348,491
Other	110,500	127,239	140,548
Total cost of sales	**2,219,851**	**2,019,740**	**2,157,476**
Gross profit	**$ 1,109,749**	**$ 1,399,055**	**$ 1,397,735**